

MARKET NEWS for pig meat



Market analysis

23 September 2024 Week 39

MARKET SITUATION

Europe: Trading in legs is stable and at unchanged prices. Other cuts are also being traded at largely unchanged prices.

UK: Sales remain stable.

Asian markets: a slight slowdown in sales is expected over the coming months.

Slaughtering in Denmark

Weekly slaughtering figures for pigs and sows as reported to the Danish Classification Control Service. The figures exclude culled pigs.

	Week 34	Week 35	Week 36	Week 37	Weeks 1-37 2024:23
Carcase weight >110 kg	10,687	9,971	10,890	10,725	+34.6%
Carcase weight <110 kg	235,012	233,025	237,041	238,028	-4.1%
Total	245,699	242,996	247,931	248,753	-2.8%



USA

Futures

Chicago (\$ per 100 lbs carcase weight)	Lean Hog			Pork Cutout		
	20/9	13/9	Change	20/9	13/9	Change
2024						
Oct	82.23	78.45	3.78	91.20	91.55	-0.35
Dec	74.23	71.30	2.93	88.00	89.00	-1.00
2025						
Feb	77.55	74.98	2.57	87.15	88.15	-1.00
Apr	82.33	80.23	2.10	87.28	87.00	0.28
May	86.00	84.35	1.65	93.88	93.60	0.28
Jun	93.48	92.05	1.43	98.50	96.93	1.57
Jul	93.80	92.55	1.25	100.25	98.68	1.57
Aug	92.80	91.35	1.45	100.58	99.00	1.58
Oct	78.60	77.33	1.27	86.83	85.25	1.58
Dec	72.00	70.83	1.17	83.18	81.60	1.58
2026						
Feb	75.00	74.23	0.77	82.33	80.75	1.58

Conversion factors:

1 lb = 0.4536 kg
 1 \$ = DKK
 6.6801



EU

African Swine Fever

According to the EU Commission's reporting system for the outbreak of disease, outbreaks of ASF have been reported for the following countries, plus Serbia, Ukraine, Moldova, Bosnia-Herzegovina, Kosovo, Albania, Montenegro, Kosovo and North Macedonia.

Countries	Period 12 Sept - 18 Sept		Year to date 1 Jan - 18 Sept		2023		2022	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia				13	2	53		57
Latvia		12	6	629	8	730	6	913
Lithuania		11	6	434	3	439	16	302
Poland	1	5	44	1,360	30	2,744	14	2,152
Italy	1	1	29	1,137	17	1,047	4	277
Ukraine	4		56	12	37	9	7	2
Czech Republic				27		56		1
Romania	5		151	116	740	292	329	465
Hungary		8		275		407		550
Bulgaria			1	96	3	322	2	387
Slovakia		1	1	111		546	5	550
Serbia			260	88	991	213	107	146
Moldova	1		11	6	19	6	14	3
Montenegro				1				
Bosnia-Herzegovina			30	36	1,508	22		
Croatia			6	38	1,124	11		
North Macedonia			3	39	15	41	30	9
Kosovo					9	4		
Belgium								
Germany		22	10	414	1	899	3	1,628
Sweden				8		60		
Greece			5	18	6	2		
Albania				2				
Total	12	60	619	4,860	4,513	7,903	537	7,442



FRANCE

France considering setting up a fence on its border with Germany to prevent spread of African Swine Fever

International news media reports that the French authorities are considering erecting a fence on the border with Germany to prevent the African Swine Fever virus from entering France.

The French authorities have also implemented a prevention campaign targeted at international transporters, hunters, hikers, tourists, etc, to protect the country against the disease.

When Belgium was hit by African Swine Fever in 2019, the French authorities erected a 112 km fence on the border with Belgium.

 **GERMANY**
Increasing imports of piglets from Denmark

ISN in Germany has reported increased imports of piglets from Denmark in the first seven months of the year.

Drawing on figures from the Thünen Institute and the German authorities, around 6.9 million live pigs were imported into Germany in the first seven months of 2024, which was 500,000 head (8.1 per cent) more than the previous year.

The growth in imports is solely due to a rise in imports of piglets, which rose by 9.7 per cent to 6.1 million in the first seven months of the year.

Approximately 4.4 million piglets were imported from Denmark, a rise of 17.5 per cent compared to the same period last year. By contrast, imports of piglets from Holland fell by 6.4 per cent to 1.7 million piglets.

German imports of finishers - 90 per cent of which come from Holland - fell by 2.1 per cent to 840,000 head in the first seven months of the year, reports ISN.

 **EU**
USDA: a modest fall in EU pig slaughtering expected in 2025

The USDA has updated its forecast for the EU's production, consumption and trade in pig meat in 2024 and drawn up a projection for 2025.

USDA expects that EU pig slaughtering in 2025 will fall by 1.7 per cent following a marginal rise of 0.9 per cent in 2024. A higher carcass weight, however, means that pig meat production in 2024 is set to rise by 2.0 per cent.

The USDA attributes the expected lower slaughtering and production in 2024 to a lower price level for pigs in the EU market in 2024.

The table below shows the USDA's forecast for the EU's market balance for pig meat for the period 2023-2025.

Carcass weight, 1,000 tonnes	2023	2024	2025
Slaughtering (million head)	221.9	223.8	220.0
Production	20,829	21,250	20,900
Imports of pig meat	108	110	110
Exports of pig meat	3,126	3,000	2,950
Consumption	17,811	18,360	18,060

 **PHILIPPINES**
Leading agricultural organisation expresses concern about vaccination strategy

As the authorities in the Philippines begin a vaccination programme against African Swine Fever in the country, one of the country's leading agricultural organisations has expressed concern about the vaccination strategy.

The organisation warns of possible unforeseen consequences, i.e. what the long-term effects the vaccine will have on the pig population and whether there is a risk of increasing the spread of infection to other areas that are currently not so badly affected. There is also concern about whether many smaller farms have the resources to implement the vaccination programme effectively.

The agricultural organisation argues that the authorities – instead of focusing solely on mass vaccination – should focus instead on increased biosecurity.

They want a careful evaluation of the pros and cons of vaccination before embarking on a largescale vaccination strategy.

PHILIPPINES

Rise in imports of fresh/frozen pig meat in H1 2024

The tables below show the official figures for the Philippines imports of pig meat for the first half year 2024 compared to the same period in the previous two years.

As can be seen, there was a rise in imports of fresh/frozen pig meat in the first half year 2024 which, following a decline in 2023, are almost back to the level from the record year of 2022. The rise in 2024 is largely the result of a rise in imports from Brazil.

The Philippines' import requirements in recent years have been strongly affected by the problems the country is experiencing with African Swine Fever and the resulting fall in the Philippines' production of pig meat.

The Philippines' imports of by-products are more constant on a year-by-year basis.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 24:23
Brazil	31,818	31,967	67,092	109.9
Canada	43,642	33,826	36,313	7.4
Spain	43,491	11,668	13,215	13.3
Holland	14,338	11,860	10,365	-12.6
France	9,135	6,017	8,977	49.2
Denmark	7,742	3,472	7,793	124.5
USA	3,265	4,792	6,098	27.3
UK	10,828	5,288	3,352	-36.6
Belgium	3,579	2,287	2,769	21.1
Australia	1,272	791	1,027	29.8
Chile	207	440	339	-23.0
Taiwan			316	
Ireland	1,405	674	311	-53.9
Others	397	122	25	-79.5
Total	171,119	113,204	157,992	39.6

020649				
By-products				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 24:23
Spain	46,257	43,336	42,975	-0.8
USA	8,247	12,178	16,256	33.5
Canada	9,081	12,044	10,550	-12.4
Holland	11,301	11,453	9,698	-15.3
France	9,963	8,358	8,058	-3.6
Denmark	6,982	6,631	6,570	-0.9
UK	7,397	6,935	6,391	-7.8
Belgium	6,821	5,425	5,603	3.3
Brazil	a	3,715	4,194	12.9
Australia	1,394	1,986	2,976	49.8
Ireland	2,116	2,545	2,455	-3.5
Austria	1,566	1,338	914	-31.7
Chile	384	657	252	-61.6
Italy	149			

Sweden	1,575	2,070		
Total	114,047	118,671	116,892	-1.5

MEXICO

Rising imports of pig meat in H1

With Mexico's trading statistics as the source, the table below shows Mexico's imports of fresh/frozen pig meat (product code 0203) for H1 2024 compared to the same period in the previous two years.

As can be seen from the table, Mexico's total imports of fresh/frozen pig meat rose by 5.1 per cent for H1 2024 compared to the same period last year. The rise in H1 arises from Q2 as imports were largely unchanged in Q1.

Mexican imports have been on the rise since 2020, when imports for H1 were 414,000 tonnes.

The majority of Mexican imports of fresh/frozen pig meat originates from the US, followed by Canada and Brazil. Imports from the U.S. are primarily in the form of legs for the Mexican processing industry.

0203 Fresh/frozen pig meat				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 2024:2023
USA	503,898	527,612	556,368	5.5
Canada	85,999	73,849	77,956	5.6
Brazil		6,103	8,677	42.2
Others	7,510	4,223	0	
Total	597,407	611,787	643,001	5.1

MEXICO

USDA expects Mexican pig meat imports to be unchanged in 2025

Last week, the USDA updated its forecast for Mexico's production, consumption and trade in pig meat in 2024 and drew up a projection for 2025.

USDA expects Mexican pig meat production to continue to increase, with imports unchanged in 2025.

After a number of years with a strong increase in pig meat consumption, only a slight rise in consumption is expected in Mexico for 2025 – a rise that is expected to be covered by increased domestic production rather than a rise in imports.

The slowdown in consumption compared to previous years is attributed to the high cost of living that consumers are experiencing. Pig meat remains the second most popular meat after poultry in the Mexican market.

The chart below shows the USDA's forecast for Mexico's market balance for pig meat for the 2023-2025 period.

Carcase weight, 1,000 tonnes	2023	2024	2025
Slaughtering (million head)	20.750	21.150	21.450
Production	1,557	1,590	1,615
Imports of pig meat	1,354	1,410	1,410
Exports of pig meat	258	260	270
Consumption	2,653	2,740	2,755

 **UKRAINE**
Substantial fall in pig meat imports

Ukraine's imports of fresh/frozen pig meat saw a sharp fall in 2023, which is expected to continue into 2024.

The fall was driven by a number of factors but should primarily be seen as a direct consequence of strongly increasing prices from the spring of 2023 for imported pig meat from the EU.

The rise in prices for imported pig meat – combined with the economic pressure faced by consumers – meant that some consumption in the Ukrainian market shifted from pig meat to the less expensive poultry.

With Ukraine's trading statistics as the source, the table below shows Ukraine's imports of fresh/frozen pig meat (product code 0203) for H1 2024 compared to the same period in the previous two years.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 2024:2023
Canada	393	61	1,076	1663.9
Denmark	12,152	2,555	258	-89.9
Holland	7,611	1,405	105	-92.5
Germany	7	61	83	36.1
Poland	5,833	704	63	-91.1
Spain	1,790	308	20	-93.5
Belgium	2,459	364	20	-94.5
Others	1,106	226	0	
Total	31,351	5,684	1,626	-71.4

Please note!

Next week's Market News will be published on Wednesday 2 October instead of Tuesday 1 October.